

United States Attorney's Office District of Columbia

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NEWS RELEASE

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Two Maryland Women Indicted by Federal Grand Jury in Connection with Theft from a D.C. Program that Provides Services to the Blind

--Mother & daughter failed to perform a contract with D.C. and allegedly embezzled money entrusted to them --

WASHINGTON - Two local women, Barbara A. Stevenson-Jones, 70, and her daughter, Pamela Stevenson, 51, both of Bowie, Maryland, were indicted today by a federal grand jury on charges of Theft Concerning Programs Receiving Federal Funds, Interstate Transportation of Stolen Securities, and First Degree Theft, all in connection with the theft from a D.C. government program that assists blind individuals to be employed, U.S. Attorney Jeffrey A. Taylor, Gregory Campbell, Jr., Inspector in Charge of the Washington, D.C. Division, U.S. Postal Inspection Service, District of Columbia Inspector General Charles J. Willoughby, and U.S. Department of Education Acting Inspector General Mary Mitchelson announced.

According to the Indictment, from approximately November 1, 2003 until July 13, 2004, Barbara A. Stevenson-Jones and Pamela Stevenson, through their company, The Wellness and Management Company, Inc. ("Wellness"), had a contract with the District of Columbia to manage the Randolph-Sheppard Vending Facilities Program. The Randolph-Sheppard Act promotes entrepreneurship and employment for the blind by granting them a priority to operate vending facilities, including cafeterias, snack bars, vending machines, and gift shops located on federal properties. The individual vendors are paid commissions and funds are placed into retirement accounts for them, from monies generated from vending machine sales. The program is funded by a block grant from the U.S. Department of Education, which in the year that began October 1, 2003, gave the District \$327,002.00.

Under the Randolph-Sheppard Act, each state and the District of Columbia has established a State Licensing Authority ("SLA") to administer the blind vending program in that state. In the District of Columbia, the SLA is the Department of Human Services, Rehabilitation Services Administration, which is authorized to contract with a company to perform the accounting and managerial services. Under the terms of the contract with D.C., Wellness had a number of responsibilities including the provision of accounting, the

generation of certain reports and tax forms, and the collection and distribution to the blind vendors of certain funds - which were to be held in escrow, for the benefit of the District's Randolph-Sheppard Vending Facility Program and the blind vendors. However, according to the Indictment, shortly after they received the contract, the Stevensons began stealing from the funds they received on the Program's behalf - including monies given to them by the blind vendors for possible repairs and maintenance of equipment - by writing checks to themselves and to each other, by transferring funds to another bank account they controlled, and by writing checks to Wellness. Unaware of the embezzlement that was taking place, the District of Columbia terminated the contract with Wellness for non-performance and demanded a return of the monies entrusted to Wellness. The Indictment alleges that in total, the Stevensons stole approximately \$281,375.38.

Based upon the conduct alleged in the Indictment, the defendants face possible statutory sentences of up to 10 years of incarceration, a fine of \$250,000.00, and an order of restitution for each of the federal violations and up to 10 years of incarceration and a fine of \$5,000.00 for each of the D.C. Code offenses. Under the U.S. Sentencing Guidelines, there is a likely sentence of 51-63 months of incarceration upon conviction.

In announcing the Indictment, U.S. Attorney Taylor, U.S. Postal Inspector in Charge Campbell, D.C. Inspector General Willoughby, and U.S. Department of Education Acting Inspector General Mitchelson commended the work of Special Agent Derek Savoy of the D.C. Office of the Inspector General, Postal Inspector Steven Sultan, and Special Agents Margo Hill and Andrea Todt, U.S. Department of Education, Office of Inspector General, and the staff of the U.S. Attorney's Office, including Legal Assistant Lisa Robinson, Financial Analyst Crystal Boodoo, and Assistant U.S. Attorney Sherri L. Schornstein, who is prosecuting the case.

An indictment is merely a formal charge that a defendant has committed a criminal violation. All defendants are presumed innocent until and unless proven guilty.

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